

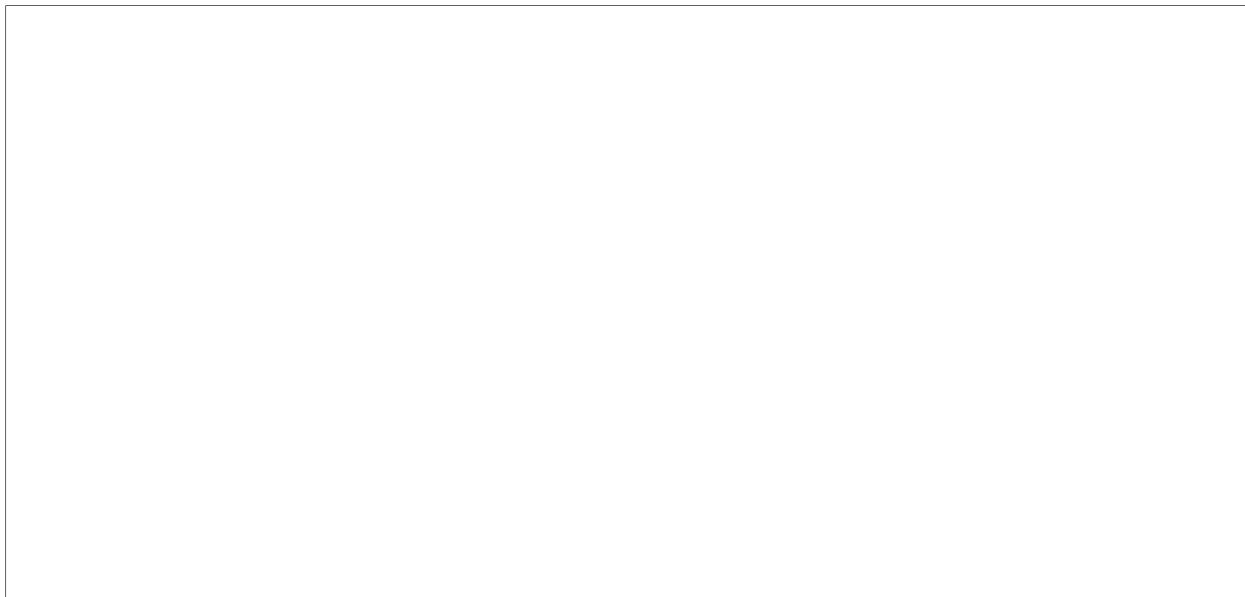
~~SECRET~~

~~SECRET~~

- ° OL STATE OF THE OFFICE
- ° BRIEF TIME SINCE HANK'S ADDRESS -- LOTS HAS HAPPENED.
- ° TAKEOVER--HE DID NOT WANT TO MOVE AND I DID NOT WANT HIS JOB. STARTED A SERIES OF NEW INITIATIVES WHICH WE HAVE CARRIED ON.
- ° HAS NOT INTERFERED OR ADVISED HOW TO DO MY JOB -- APPRECIATIVE.
- ° THIS MORNING WE WOULD LIKE TO DISCUSS WHERE WE HAVE BEEN -- WHAT WE HAVE DONE -- WHERE WE ARE GOING.
- ° NO QUESTION THAT THIS IS THE HEAVIEST WORKLOAD EVER IMPOSED ON OL -- IN EVERY AREA: SUPPLY; FACILITIES MANAGEMENT; REAL ESTATE; PROCUREMENT, AND PRINTING AND PHOTOGRAPHY.
- ° WE HAVE FOUND THAT WE ARE INCREASINGLY CRITICAL TO THE SUCCESS OF THE AGENCY'S MISSION -- WE HAVE HAD TREMENDOUS OPPORTUNITIES TO EXCEL OR TO FAIL. WE HAVE EXCELLED.
- ° THE PAST YEAR HAS BEEN THE MOST EXCITING AND CHALLENGING IN OL'S HISTORY.

WHERE HAVE WE BEEN -- WHAT HAVE WE DONE?

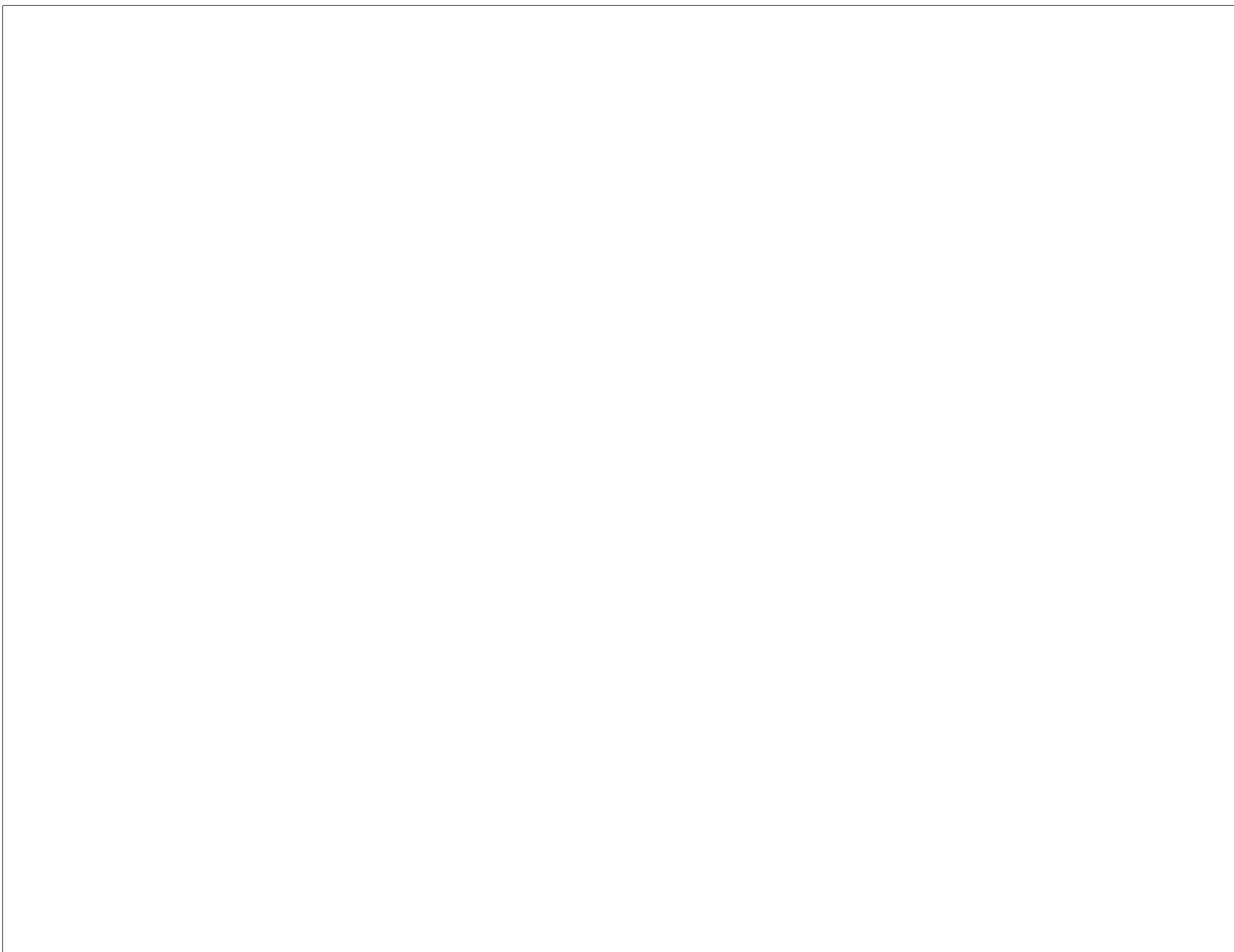
SOME NOTABLE EFFORTS ONLY, SINCE TIME DOES NOT PERMIT DETAILED COMMENTS ON EVERYTHING WE HAVE DONE.



S E C R E T

S E C R E T

25X1



FACILITIES MANAGEMENT:

- THE HEADQUARTERS BUILDING HAS NEVER LOOKED BETTER, PROVIDING A CLEAN WORKING ENVIRONMENT FOR AGENCY EMPLOYEES, BEST IN THE FEDERAL GOVERNMENT.
- FMD COMPLETED OVER 2,500 RENOVATION ACTIONS, INCREASE OF 11 PERCENT
- IN RESPONSE TO MR. CASEY'S REQUEST, FMD RENOVATED OVER 25,000 SQUARE FEET AND RELOCATED OVER [REDACTED] TO ESTABLISH THE COUNTERTERRORIST CENTER, THREE WEEKS AHEAD OF SCHEDULE AND WELL WITHIN COSTS.

STAT

- ° MOVES MADE BY BUILDING SERVICES BRANCH WERE UNIFORMLY EXCELLENT; MOTOR POOL SERVICES INCREASED OVER TEN PERCENT; [REDACTED]

[REDACTED] STATISTICS FOR THE MAIL AND COURIER OPERATIONS HAVE INCREASED IN TERMS OF MILES COVERED AND DELIVERIES MADE. THE E.D.R. IS SECOND TO NONE -- OUTSTANDING SUPPORT TO THE SENIOR MANAGERS, DDS&T ANNIVERSARY, AND THE CEREMONY FOR SENATOR GOLDWATER.

- ° BEYOND NORMAL DUTIES, FACILITIES MANAGEMENT DIVISION WAS RESPONSIBLE FOR THE VERY WORTHWHILE CHARITABLE EFFORT KNOWN AS OPERATION SANTA CLAUS AND THEY PROVIDED SUPERB SUPPORT WITH RESPECT TO THE RECENT DEMONSTRATION AGAINST THE AGENCY.

PRINTING AND PHOTOGRAPHY:

- ° SIMPLY STATED, THE BEST PRINTING OPERATION IN THE FEDERAL GOVERNMENT.
- ° IMPROVED THE MIDDAY INTELLIGENCE REPORT; PRODUCED THE ANNUAL BUDGET BOOKS FASTER AND BETTER THAN EVER BEFORE.
- ° PROVIDED ALMOST 800 HOURS OF OVERTIME IN SUPPORT OF CONGRESSIONAL COMMITTEES' ENDLESS REQUESTS FOR DOCUMENTS.
- ° ALWAYS WORKING ON SHORT NOTICE WITHIN TIGHT DEADLINES -- PRINTED AGENCY EMPLOYEE BENEFITS STATEMENTS, OUTSTANDING RECRUITMENT BROCHURES, AND STILL PRODUCED CLASSIFIED INTELLIGENCE REPORTS FOR SENIOR POLICY MAKERS EXPEDITIOUSLY.
- ° ALL PRODUCTION STATISTICS HAVE INCREASED COMPARED TO LAST YEAR: PAGES TYPESET, PRINTING IMPRESSIONS, COLOR SEPARATIONS, AND VIDEOTAPE REPLICATIONS -- INCREASES RANGE FROM 20 to 100 PERCENT.

NOT
TRUE →

PROCUREMENT:

- ° COOPERS AND LYBRAND REPORT BEING IMPLEMENTED NOW. REORGANIZATION IS BEING CARRIED OUT VERY GRADUALLY. WE ARE ENHANCING PROCUREMENT DELEGATIONS TO TEAMS. HAVE STARTED TO ESTABLISH TEAMS IN OIT AND OS. AND WE HAVE INITIATED REVIEW PROCEDURES OF DECENTRALIZED TEAMS BY PROCUREMENT MANAGEMENT STAFF.

- AGAIN, RECORD LEVELS OF ACHIEVEMENT IN THE PROCUREMENT FIELD -- OVER \$1 BILLION IN CONTRACT ACTIONS (EXCLUDING NRO). CIA NOW RANKS 4TH IN TOTAL CONTRACT DOLLARS OBLIGATED IN FEDERAL GOVERNMENT.
- COMPETITIVE ACTIONS HAVE INCREASED.
- COOPERS AND LYBRAND REPORT: "CIA PROCUREMENT PERSONNEL ARE BETTER EDUCATED, MORE EXPERIENCED THAN ANY OTHERS IN THE FEDERAL GOVERNMENT."

C&L COMPARISONS:

DOD - 11 CONTRACT ACTIONS PER
CONTRACTING OFFICER

CIVILIAN AGENCIES - 27 CONTRACT ACTIONS PER
CONTRACTING OFFICER

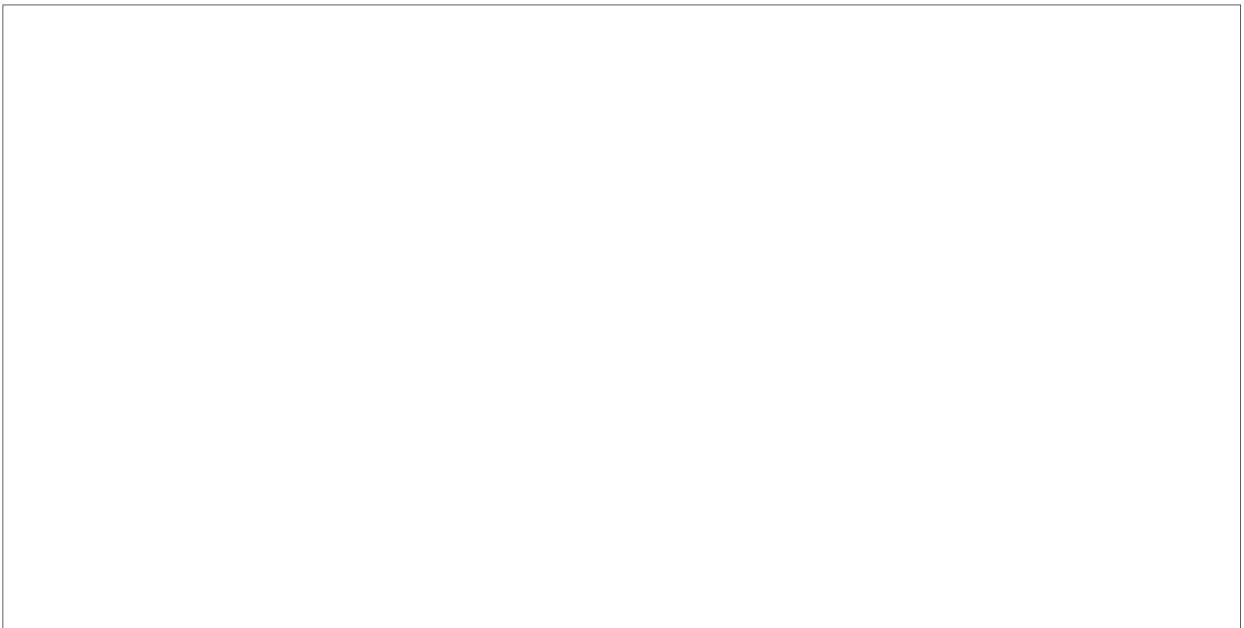
CIA - 78 CONTRACT ACTIONS PER
CONTRACTING OFFICER

USG TAKES 27-37 WEEKS TO AWARD CONTRACT

CIA TAKES 43 DAYS TO AWARD CONTRACT

- PAST 20 YEARS REFLECT INCREASE OF 270 PERCENT IN ACTIONS, OVER 800 PERCENT IN DOLLARS, AND 77 PERCENT IN WORK FORCE.

REAL ESTATE AND CONSTRUCTION DIVISION:



NEW HEADQUARTERS BUILDING:

- THE FAST-MOVING CONSTRUCTION PROJECT IS EVIDENT TO US ALL. RAISED FLOORS, WALLS, AND UTILITIES ARE BEING INSTALLED LITERALLY AS WE SPEAK.
- WORK IS PROGRESSING RAPIDLY ON THE CONTROL CENTERS -- WE AWARDED THE LARGEST SMALL BUSINESS CONTRACT IN THE AMOUNT OF \$5.8 MILLION TO ROBERT CLAY, INC.
- THE BUILDING IS ON SCHEDULE AND WITHIN BUDGET.
- WE WILL BEGIN MOVING PEOPLE INTO THE NEW HEADQUARTERS BUILDING IN ABOUT SIX OR SEVEN MONTHS -- ALL MOVES INTO THE BUILDING WILL BE COMPLETED BY DECEMBER 1988.

ALL OF THESE ACHIEVEMENTS BY INDIVIDUAL DIVISIONS COULD NOT BE ACCOMPLISHED WITHOUT PEOPLE PULLING TOGETHER. FOR EXAMPLE,

STAFFS

- LAST, BUT NOT LEAST, IS THE EXCELLENT SUPPORT THAT HAS BEEN RENDERED BY OUR STAFFS DURING THE PAST YEAR. IMSS HAS WORKED LONG HOURS ON A WIDE VARIETY OF PROJECTS, INCLUDING ADP EFFORTS, CLAIMS REVIEW, RECORDS MANAGEMENT, PLANNING, AND A MYRIAD OF OTHER WORK. WE HAVE THE LARGEST CONTINGENT OF FINANCE PERSONNEL OUTSIDE OF O/F DOING AN EXCELLENT JOB. SUPPORT RENDERED BY P&TS IS ALWAYS TIMELY, AND THEIR HELPFUL ATTITUDE TOWARD OL EMPLOYEES IS VERY MUCH APPRECIATED. FINALLY, THE UNDERSTAFFED FOLKS IN THE SECURITY STAFF HAVE DONE A VERY COMMENDABLE JOB.

IT SHOULD BE OBVIOUS TO US ALL THAT "PEOPLE MAKE THE DIFFERENCE"
-- NOT JUST A CATCHY MOTTO.:

- 25X1 ◦ OVER [] OL EMPLOYEES CITED IN LETTERS OF APPRECIATION
SINCE WE FORMALLY RECOGNIZED THEM IN OUR STAFF NOTES SIX
MONTHS AGO.
- 25X1 ◦ OL EMPLOYEE [] AT HIS OWN PERSONAL RISK, SAVED A
CONTRACTOR'S LIFE. CONTRACTOR UNABLE TO GET FREE FROM
HIGH-VOLTAGE WIRES. TOOK 20 MINUTES TO DISENGAGE THE
CONTRACTOR.
- 25X1 ◦ AN OL EMPLOYEE [] HAS
BEEN CITED AS THE OUTSTANDING EMPLOYEE OF HER UNIT.
SENIOR FOREIGN SERVICE OFFICER SAID SHE WAS THE MOST
25X1 []
HELPFUL ADMINISTRATIVE PERSON HE ENCOUNTERED IN 30 YEARS
- 25X1 ◦ THREE MAJOR SNOWSTORMS IN LESS THAN A MONTH. FMD'S
OUTSTANDING EFFORTS KEPT THE AGENCY IN BUSINESS.
25X1 SUPPLIED FOOD, BLANKETS, COTS TO [] STRANDED
EMPLOYEES. PERSONAL ASSISTANCE TO AGENCY EMPLOYEES IN
DIFFICULTY WAS THE NORM. DDA RANDOMLY DISCUSSED FMD'S
EFFORTS WITH SOME 60 EMPLOYEES--ALL WERE IN HIGH PRAISE
OF FMD'S EFFORTS.
- 25X1 ◦ []
- 25X1 ◦ []
- 25X1 ◦ AN EMPLOYEE FROM P&PD CAME OFF THE NIGHT SHIFT TO WORK
WITHOUT COMPENSATION ON OUR TRAINING REVIEW.
- 25X1 ◦ JUST A FEW EXAMPLES OF HUNDREDS OF EMPLOYEES WHO REALLY
CARE. THOUSANDS OF HOURS OF OVERTIME; [] OL VOLUNTEERS
FOR OUR COMPREHENSIVE TRAINING REVIEW; VOLUNTEERS FOR
OUR CHRISTMAS PARTY; COUNTLESS OL EMPLOYEES WORKING
UNTIL THE MIDNIGHT HOURS AT THE END OF THE FISCAL YEAR;
PROCUREMENT PEOPLE IN ON WEEKENDS.
- 25X1 ◦ EMPLOYEES/INDIVIDUALS DO, INDEED, MAKE THE DIFFERENCE.

OUR MOST IMPORTANT GOAL IN OL IS TO MAKE THE LOGISTICS CAREER SERVICE THE BEST IN THE AGENCY.

- ° HOW HAVE WE DONE? THANKS TO THE TREMENDOUS EFFORTS OF OUR PERSONNEL PEOPLE AND MANAGERS, OL FINISHED OVERSTRENGTH LAST FISCAL YEAR, AS WE DID IN FY 85.

25X1 °TRAINING: [] ENROLLMENTS IN COURSES. PARTICIPATED IN OVER 200 COURSES. EXPENDED OVER \$200,000 IN TRAINING.

- ° FOUR STUDENTS ENROLLED IN FULL-TIME ACADEMIC SPONSORSHIP.

- 25X1
- ° TRAINING REVIEW HAS BEEN COMPLETED THANKS TO [] OL VOLUNTEERS. TRAINING CATALOG WILL BE OUT IN THE NEAR FUTURE.

- 25X1
- ° ALL COURSES WERE REVIEWED. MANY WERE RETOOLED. 15 NEW TRAINING COURSES HAVE BEEN DEVELOPED. SKILLS WORKSHOPS ARE UNDER WAY -- 6 HELD TO DATE, WITH [] EMPLOYEES ATTENDING.

- ° ALL FORMAL TRAINING PROGRAMS WERE STRENGTHENED.

- ° OL MIDCAREER COURSE HAS BEEN EXPANDED. THREE COURSES SO FAR, OVER 40 ATTENDEES. OPEN TO ALL GS-09'S TO GS-12'S AND WAGE GRADES.

- 25X1
- ° PANEL SYSTEM CONTINUES TO IMPROVE AS WE GAIN EXPERIENCE. IN PAST TWO YEARS, WE HAVE HAD OVER [] LOGISTICS CAREERISTS SERVING ON 25 DIFFERENT EVALUATION PANELS -- ABOUT AS OBJECTIVE, FAIR, AND THOROUGH A SYSTEM AS POSSIBLE. NOW ONE OF FIVE PANEL MEMBERS IS NOT A MEMBER OF THE SUBGROUP BEING EVALUATED -- NEXT CYCLE TWO OF FIVE PANEL MEMBERS WILL NOT BELONG TO SUBGROUP BEING EVALUATED.

- 25X1
- ° LOGISTICS CAREER BOARD IS INDEED MANAGING THE CAREER SERVICE -- APPROVES ASSIGNMENTS TO POSITIONS GS-11 AND ABOVE; ALL PANELS REPORT THEIR FINDINGS TO IT; APPROVES LATERAL ENTRY INTO OL; ACTS ON HIGH-LEVEL TRAINING COURSES; APPROVES [] EMPLOYEES IN PROBATIONARY PERIOD, AND ANY OTHER ACTIONS THAT IMPACT ON PERSONNEL MANAGEMENT OF LOGISTICS EMPLOYEES..

- 25X1 ° PROMOTIONS -- SLIDE -- [] IN FY 86
- 25X1 ° AWARDS: (SLIDE)

[]
MERITORIOUS UNIT CITATIONS WERE AWARDED TO THE LOGISTICS
OPERATIONS CENTER AND TO PROCUREMENT DIVISION.

SECRETARIAL AWARDS WERE RECENTLY AWARDED TO OL
SECRETARIES IN THE AMOUNT OF \$16,000.

EMPLOYEES OF THE QUARTER CONTINUE.

25X1 POSTHUMOUS AWARDS TO [] OF SUPPLY AND []
25X1 [] OF THE MOTOR POOL.

25X1 HONOR BOARD FOR OL IN [] NOW HAS:
25X1 []

- ° DEVELOPMENT OF SUCCESSION PLAN FOR MIDDLE/SENIOR
MANAGERS.
- ° THE OL CAREER SERVICE WAS SUFFICIENTLY ATTRACTIVE THAT
50 INTERNAL AGENCY EMPLOYEES JOINED IT WITHIN THE PAST
YEAR.
- ° PERSONAL FEELING THAT WE ARE STILL NOT EFFECTIVELY
COMMUNICATING ALL OF OUR EFFORTS IN THE PERSONNEL AREA.
HAVE TRIED TO CONVEY PERSONNEL-RELATED ACTIVITIES
THROUGH THE OL QUARTERLIES, WEEKLY STAFF NOTES, STAFF
MEETINGS, CONFERENCES, ETC. WE SIMPLY HAVE TO DO BETTER
AT INFORMING OUR EMPLOYEES OF CAREER DEVELOPMENT
EFFORTS, OPPORTUNITIES, TRAINING, EVALUATION PANEL
SYSTEMS, AND SO ON.
- ° OUR VISITATION PROGRAM TO EXTERNAL LOGS COMPONENTS WILL
CONTINUE IN ORDER TO ENHANCE COMMUNICATIONS OUTWARD. WE
COLLECTIVELY MUST DO A BETTER JOB AT COMMUNICATION
WITHIN OL -- MUST EXERT MORE EFFORT AT THE BRANCH AND
SECTION LEVEL AND CONSIDERABLY MORE TO THE LARGE BODY OF
OL CAREERISTS SERVING OUTSIDE OF OL.

WHERE ARE WE GOING OVER THE NEXT YEAR?

- FORTHCOMING YEAR PROMISES TO BE AS CHALLENGING AS THE PAST YEAR.

◦

◦

- THE INMAN INITIATIVE WILL CONTINUE TO DEMAND INCREASING ATTENTION BY OUR ARCHITECTS AND ENGINEERS.

- BY THIS TIME NEXT YEAR, WE WILL HAVE COMPLETED THE IMPLEMENTATION OF THE COOPERS AND LYBRAND RECOMMENDATIONS. COMPLETE REORGANIZATION OF PROCUREMENT, WITH INCREASED DECENTRALIZATION AND ENHANCED DELEGATIONS TO THE TEAMS. NEW TEAMS WILL BE FIRMLY IN PLACE. MORE CENTRALIZED CONTROL/GUIDANCE COMING FROM PMS.

- THE INTEGRATED LOGISTICS SUPPORT PLAN COVERING THE SMOOTH TRANSITION INTO THE HEADQUARTERS COMPOUND WILL BE WELL UNDER WAY. AND THE COMPLETE OVERHAUL, RECONFIGURATION OF THE ORIGINAL HEADQUARTERS BUILDING WILL ALSO BE STARTED.

- WE WILL CONTINUE TO STRESS BETTER OPERATIONAL, SECURE TRADECRAFT IN CONDUCTING OUR BUSINESS. ESPECIALLY IN THE

◦

SPACE FOR AGENCY PERSONNEL WILL CONTINUE TO DEMAND OUR ATTENTION. WE WILL CONTINUE WITH OUR PLAN TO CONSOLIDATE [REDACTED] WHEN APPROVED, WILL CONSUME A LARGE SHARE OF OUR EFFORTS.

◦

- WE WILL CONTINUE WITH OUR COMMITMENT TO CLAS. OUR INITIAL OPERATING CAPABILITY IS SCHEDULED FOR OCTOBER OF THIS YEAR. THE IMPLEMENTATION OF CLAS WILL CHANGE THE WAY WE DO BUSINESS. WE INTEND TO EXPLOIT BAR-CODING TECHNIQUES ON AN OFFICE-WIDE BASIS. AND WE WILL HAVE OFFICE-WIDE COORDINATION OF ALL DATA PROCESSING INITIATIVES.

- MAINTAINING OUR IMAGE IS STILL AN IMPORTANT OBJECTIVE -- AS HANK SAID A COUPLE OF YEARS AGO, IF YOU DON'T BLOW YOUR OWN HORN, YOU WILL BE LISTENING TO SOMEONE ELSE BLOW THEIRS.
- WE WILL CONTINUE OUR COMMITMENT TO PROVIDE LOGISTICS SUPPORT SECOND TO NONE. THE PUBLICATION OF THE YELLOW PAGES LAST YEAR WAS AN INDICATION OF THAT COMMITMENT.
- WE WILL CONTINUE TO SEEK OUT BETTER WAYS TO CARRY OUT OUR MISSION. WE CAN'T OPERATE ON A BUSINESS-AS-USUAL BASIS AND SURVIVE. WE MUST TAKE THE EXTRA STEPS REQUIRED FOR CUSTOMER SATISFACTION. SUPPORT ALWAYS REQUIRES CONSTANT IMPROVEMENT AND INNOVATION. WE WILL NEED MORE, RATHER THAN LESS.
- WE WILL CONTINUE TO MAKE THE LOGISTICS CAREER SERVICE THE BEST IN THE AGENCY. THIS WILL CONTINUE TO BE OUR MOST IMPORTANT, NUMBER ONE OBJECTIVE -- ANY OTHER EMPHASIS WOULD BE FOOLISH AND STUPID.
- OUR ORGANIZATIONAL STRUCTURE IS 30 YEARS OLD, AND IT IS OUT OF DATE. SPAN OF CONTROL IN SOME AREAS IS TOO GREAT. NOT ENOUGH ATTENTION IS BEING PAID TO CENTRALIZED FACILITY MANAGEMENT. TOO MANY UNITS ARE INVOLVED IN SPACE. IN THE FACE OF THIS, WE ARE LOOKING AT CHANGES IN THE ORGANIZATIONAL STRUCTURE SO IT WILL MEET THE NEW DEMANDS WHICH CONFRONT US TODAY AND INTO THE 1990'S.
- 25X1 ◦ IN ORDER TO MEET ALL THE DEMANDS PLACED UPON US, WE NEED [] PEOPLE WORKING TOGETHER. WHILE WE SHOULD TAKE PRIDE IN OUR UNIT'S ACCOMPLISHMENTS, WE CANNOT AFFORD PAROCHIALISM -- WE MUST REMIND OURSELVES CONSTANTLY THAT LOGISTICS, CAPITAL "L," SUCCEEDS OR FAILS IN THE EYES OF OUR CUSTOMERS; NOT A PARTICULAR DIVISION, BRANCH OR STAFF. WE NEED TO MAINTAIN THE "CAN-DO" SPIRIT THAT WE HAVE HAD IN THE PAST. WE NEED A MORE FLEXIBLE WORK FORCE -- AND WE WILL CONTINUE TO STIMULATE ROTATIONAL ASSIGNMENTS WITHIN AND OUTSIDE OF OL. FLEXIBILITY AND TEAMWORK ARE ABSOLUTELY NECESSARY TO MEET THE INCREASINGLY COMPLEX TASKS PLACED UPON US.
- 25X1 ◦ SUPPORT FROM ALL DIVISION, BRANCH, SECTION CHIEFS. [] BILL. HARRY.
- ANNUAL REPORT.